AMENDMENT TO THE RULES COMMITTEE PRINT
OF H.R. 5
OFFERED BY MR. TAKANO OF CALIFORNIA

Page 62, line 23, insert “and” after the semicolon.

Page 63, strike lines 1 through 3.

Page 63, line 4, redesignate subparagraph (D) as subparagraph (C).

Page 87, line 22, strike section 121 and insert the following:

1 SEC. 121. FISCAL REQUIREMENTS.

2 Section 1120A (20 U.S.C. 6321) is amended by striking “part” each place it appears and inserting “subpart”.

Page 93, beginning on line 5, strike paragraph (3) and insert the following:

4 (3) by striking subsections (a) and (f) and redesignating subsections (b) through (g) as subsections (a) through (f), respectively; and

Page 394, beginning on line 5, strike subsection (f).

Page 454, after line 3, insert the following:

7 “(2) maintenance of effort;”.

Page 454, beginning on line 4, redesignate paragraphs (2) through (8) as paragraphs (3) through (9), respectively.

Page 481, after line 22, insert the following new section:

1 “SEC. 5552. MAINTENANCE OF EFFORT.

“(a) IN GENERAL.—A local educational agency may receive funds under a covered program for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of the agency and the State with respect to the provision of free public education by the agency for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

“(b) REDUCTION IN CASE OF FAILURE TO MEET.—

“(1) IN GENERAL.—The State educational agency shall reduce the amount of the allocation of funds under a covered program in any fiscal year in the exact proportion by which a local educational agency fails to meet the requirement of subsection (a) of this section by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures (using the measure most favorable to the local agency).
“(2) SPECIAL RULE.—No such lesser amount shall be used for computing the effort required under subsection (a) of this section for subsequent years.

“(c) WAIVER.—The Secretary may waive the requirements of this section if the Secretary determines that a waiver would be equitable due to—

“(1) exceptional or uncontrollable circumstances, such as a natural disaster; or

“(2) a precipitous decline in the financial resources of the local educational agency.”.